

## TERMS OF AGREEMENT

City of Tempe Staff and CBS Outdoor (“CBS”) have been working on Terms of Agreement, to remove interior arterial billboard structures in exchange for freestanding digital off-premise freeway signs.

The Agreement would require CBS to remove 33 faces of existing signage on 15 structures that are currently located along interior streets (which do not meet the goals of the current Tempe Zoning and Development Code but are deemed non-conforming uses under the current code) in exchange for 17 faces of replacement signage. After the removal of the arterial off-premise signage, CBS will have the right to erect no more than eight (8) structures in Tempe, with a maximum of fifteen (15) digital faces and two (2) static faces. Seven (7) of these structures will be located along freeways and one (1) will be a rebuild of existing signage located on the southwest corner of Elliot and Kyrene Roads. The Elliot and Kyrene Roads location removes ten (10) existing static billboard faces and replaces them with a single, three-sided sign with one (1) electronic face (the electronic face will be on the west side and be oriented away from single-family residential homes).

Staff is aware of the proposed replacement sites. A number of these sites will require a technical modification of the Tempe Zoning and Development Code. Staff and CBS agree that modifications can be made to the Code to allow for the proposed locations while satisfying the intent and goals of the existing ordinance. Such details would be fully addressed during the Development Agreement negotiating period.

In addition to the above mentioned request, City Staff and CBS have agreed to the following terms regarding landscaping and the rebuilding of a single billboard on the southwest corner of Elliot and Kyrene Roads (where 10 faces currently exist and a single three-sided sign will be rebuilt):

1. CBS will provide one (1) face of advertising for twenty-four (24) weeks to the City on the digital face of this structure each calendar year. These weeks may be used by the City at any time with sixty (60) days prior notice. Minimum use is one (1) week (Monday at 12:01 a.m. to Sunday at 12:00 a.m.) at a time. Weeks can be used for multiple flips, i.e. 2 flips for 12 weeks, 4 flips for 6 weeks, etc. The City may advertise only City of Tempe sponsored events, services or divisions (examples would be Block Party, parks, golf, hazardous waste facility, etc.). The City's rights may not be sold, bartered or otherwise monetized in any way. Unused space will not carry over to the next year and partial years will be prorated. CBS will have the right to approve or disapprove any and all copy at its sole discretion.
2. Upon completion of the Elliot and Kyrene Roads structure, CBS will invest \$25,000 into the design and construction of landscaping on the southwest corner of Elliot and Kyrene Roads in the right-of-way. CBS will turn the landscaping maintenance responsibility over to the City of Tempe upon completion. The City of Tempe will provide the site with water at no charge to CBS. CBS will work with City planning staff to develop the appropriate landscape palate.
3. This sign and landscaping at Kyrene and Elliot is expressly contingent on the approval of the Lessor and/or Salt River Project.